



# Weekly economic report

9 March 2026

## Financial markets charts

### The week that was

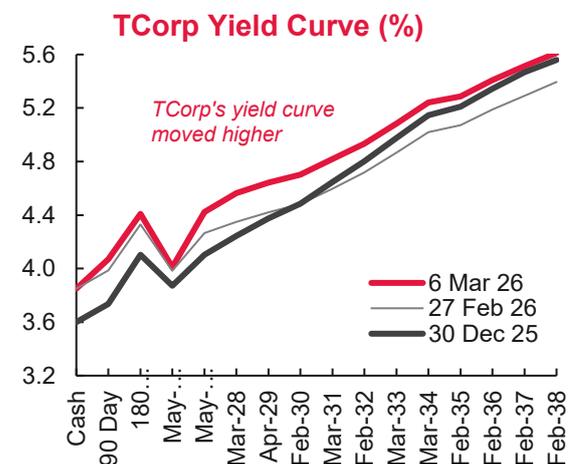
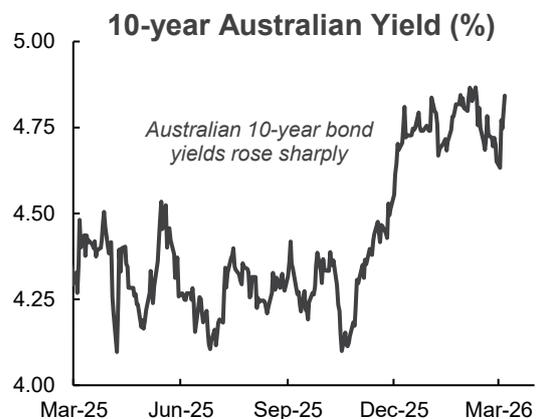
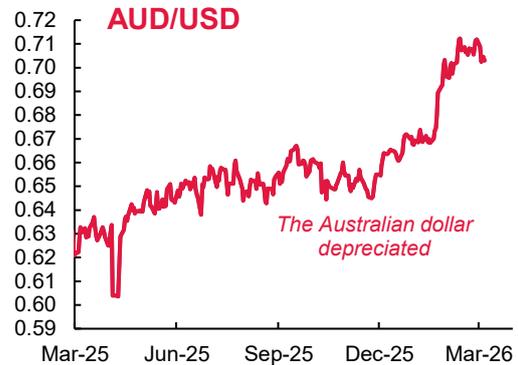
- Financial markets were dominated by the war in the Middle East, with investors most concerned about a prolonged energy supply shock and resulting inflationary pressures. This saw volatility rise and risk appetite deteriorate, leading to sharp falls in global equity markets and a rise in the US dollar. A large rise in oil prices drove bond yields sharply higher.
- Oil prices reached US\$93/bbl, up from US\$72/bbl one week ago and US\$60 at the start of this year. While Iran only accounts for 3-4% of global oil production, which is mostly exported to China, concerns centre around global trade through the Strait of Hormuz remaining halted for an extended period. Around 20-25% of global oil trade flows through the Strait, as well as 20% of LNG and other vital inputs to production.
- The US S&P500 fell by 2% and the ASX200 declined by 3.8%. Economies that are more reliant on energy imports experienced larger falls, with stock markets across Europe, the UK, Japan, and South Korea falling by 5-7%.
- Bond yields rose most sharply in countries most vulnerable to an energy supply shock (e.g. UK +39bps, Italy +35bps). Germany, US, and Australian bond yields rose by around 20bps. While central banks are unlikely to react to brief supply shocks, larger and longer disruptions will be harder to ignore.
- The Australian economy grew by 0.8% in the December quarter, broadly in line with expectations. The economy grew by 2.6% in 2025, above its potential growth rate, but has been stagnant on a per capita basis the past few years. Consumer spending was significantly weaker than the RBA expected and could face additional headwinds in 2026 from slowing wages growth and higher interest rates.

### Economic calendar

<b>Monday</b> <b>09/03</b>	China: Inflation, Feb
<b>Tuesday</b> <b>10/03</b>	AU: Consumer sentiment, Mar; NAB Business Survey, Feb
<b>Wednesday</b> <b>11/03</b>	US: CPI, Feb
<b>Thursday</b> <b>12/03</b>	
<b>Friday</b> <b>13/03</b>	US: Core PCE deflator, Feb

### The week ahead

- The Middle East conflict will continue to drive market moves this week. Aside from this, US inflation data will be key to watch.



## Financial markets data: Week ending 6 March 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	3.85	0	–	25	▲
90-day BBSW	4.07	8	▲	33	▲
3-year Australian Bond Yield	4.43	21	▲	29	▲
10-year Australian Bond Yield	4.84	19	▲	10	▲
20-year Australian Bond Yield	5.25	17	▲	7	▲
10-year Australian Break-Even Inflation	2.33	6	▲	2	▲
10-year Australian Real Yield	2.52	13	▲	8	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	3.56	19	▲	9	▲
10-year US Treasury Yield	4.14	20	▲	-3	▼
30-year US Treasury Yield	4.76	15	▲	-9	▼
10-year German Bund Yield	2.86	22	▲	0	▲
<b>NSW TCorp Bonds</b>					
4.00% 20 May 2026	4.01	3	▲	14	▲
3.00% 20 May 2027	4.42	16	▲	32	▲
3.00% 20 March 2028	4.56	21	▲	31	▲
3.00% 20 April 2029	4.64	22	▲	26	▲
3.00% 20 February 2030	4.70	22	▲	22	▲
2.00% 20 March 2031	4.82	22	▲	17	▲
1.50% 20 February 2032	4.93	21	▲	13	▲
2.00% 8 March 2033	5.08	22	▲	11	▲
1.75% 20 March 2034	5.24	22	▲	10	▲
4.75% 20 February 2035	5.29	22	▲	9	▲
4.25% 20 February 2036	5.41	22	▲	7	▲
4.75% 20 February 2037	5.51	22	▲	5	▲
5.25% 24 February 2038	5.61	22	▲	5	▲
2.50% 20 November 2035 CIB	3.05	29	▲	17	▲
10-year NSW TCorp Bond Yield	5.39	22	▲	9	▲
10-year TCV (Victoria) Spread	0.07	0	▼	0	▼
10-year QTC (Queensland) Spread	0.05	0	–	-2	▼
<b>Equities</b>					
S&P/ASX200 (Australia)	8,851	-3.8%	▼	1.6%	▲
S&P500 (US)	6,740	-2.0%	▼	-1.5%	▼
FTSE 100 (UK)	10,285	-5.7%	▼	3.6%	▲
DJ Stoxx600 (Europe)	599	-5.5%	▼	1.1%	▲
Nikkei 225 (Japan)	55,621	-5.5%	▼	10.5%	▲
Shanghai Composite (China)	4,124	-0.9%	▼	3.9%	▲
<b>Currencies</b>					
AUD/USD	0.703	-1.2%	▼	5.3%	▲
EUR/USD	1.162	-1.6%	▼	-1.1%	▼
USD/JPY	157.78	1.1%	▲	0.7%	▲
GBP/USD	1.34	-0.5%	▼	-0.5%	▼
US\$ Index	98.99	1.4%	▲	0.7%	▲
<b>Commodities</b>					
Brent Oil (US\$/bbl)	92.69	27.9%	▲	52.3%	▲
Iron Ore (US\$/t)	102.20	3.2%	▲	-4.7%	▼
Coking Coal (US\$/t)	139.17	-3.3%	▼	-7.0%	▼
Gold (US\$/oz)	5,171.74	-2.0%	▼	19.7%	▲

**Brian Redican**  
**Chief Economist**  
[brian.redican@tcorp.nsw.gov.au](mailto:brian.redican@tcorp.nsw.gov.au)

**Emily Perry**  
**Senior Economist**  
[emily.perry@tcorp.nsw.gov.au](mailto:emily.perry@tcorp.nsw.gov.au)



Level 7, Deutsche Bank Place  
126 Phillip Street  
Sydney NSW 2000, Australia

**T** +61 2 9325 9325

**W** [www.tcorp.nsw.gov.au](http://www.tcorp.nsw.gov.au)

**ABN 99 235 825**

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